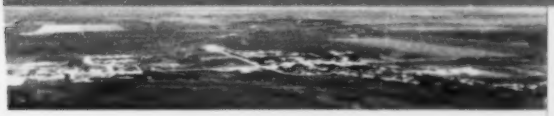
LOCAL GOVERNMENT SERVICES DIVISION



Municipal Services Branch

Village of Barons
Dissolution Study

April 2004

Alberta
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VILLAGE OF BARONS DISSOLUTION STUDY

105-01734/

Introduction

Section 130 of the Municipal Government Act requires that a dissolution study be done if the Minister receives a sufficient petition from electors requesting the study. In July of 2003, the Minister of Municipal Affairs (Minister) received a petition from electors of the Village of Barons asking for a dissolution study.

What is dissolution?

Dissolution is the legal process of dissolving one municipal corporation and joining it with another municipal corporation.

The Village of Barons (village) is a municipal corporation providing local governance and municipal services to the residents. If the village dissolves, it would join with the municipal corporation of the County of Lethbridge (county). The county would then provide local governance and municipal services to the residents of Barons.

What is a dissolution study?

A dissolution study is a written report that in part:

- describes the current situation in the village;
- describes current information on municipal services in the village and what change may occur if the village joins the county; and
- provides a comparison of village and county taxes for 2003.

Information for the study is gathered from:

- the village council and administration;
- the county council and administration; and
- the public and ministry records.

Please note: A dissolution study is not an audit or an inquiry into the operation of the municipality.

What happens when the study is completed?

Residents receive the following:

- a copy of the study;
- notice of the date, time and location of a public meeting when Municipal Affairs will present the study and answer resident's questions; and
- Notice of "Vote on a Bylaw or Question" giving the time, date and location of the vote (including advanced vote) on the question of dissolution.

The development of Barons

In 1909, Canadian Pacific Railway purchased the present town site and established the Barons railway station. The company sold lots in the town site and the community began to develop. Barons incorporated as a municipality in 1910. Some of the early businesses included a hardware store, lumberyards, bank, feed mill, dance hall, opera house and a hotel. The village thrived as a delivery point for local grain producers, a service centre for the surrounding agricultural industry, and a focal point for the village and surrounding community's social, educational, religious and recreational activities.

With the recent decommissioning of grain elevators, the village no longer serves as a major delivery point for local grain producers and probably serves less of a role as a service centre for the surrounding agricultural industry than it did in the past. However, the village is still a focal point for its residents and the surrounding community's social, religious, and recreational activities.

The village's declared population is currently 296, which is an increase of 3.8% since 1999. Businesses currently operating in the village includes a hotel, grocery store, seed cleaning plant, gas co-op, automotive repair shop, post office and Treasury Branch Agency to name a few.

The villages' finances

The village's financial position was positive at December 31, 2003. The village showed financial

assets of $288,569 and liabilities, including long-term debt, of $97,493.

The village is able to pay current expenditures with current revenues. At December 31, 2003, the village showed a net operating fund surplus (revenues minus expenditures) of $9,487.

The villages' property tax assessment base

The value of the village's property assessment base (residential and non-residential) declined approximately $1.6 million or 18 percent between 1999 and 2003. The majority of the loss is due to the de-licensing and removal of grain elevators. According to the village's assessor, there is a potential loss of an additional $600,000 in property assessment if the remaining elevator is removed or no longer assessable.

The loss of $1.6 million in non-residential assessment contributed to a significant shift in the ratio of residential to non-residential property assessment. In 1999, the residential property assessment picked up 46 percent and non-residential property assessment 54 percent of the municipal property tax levy. By 2003, the residential property assessment was picking up 68 percent and non-residential property 32 percent of the municipal property tax levy.

This means that the residential property assessment has been paying an increasingly larger portion of the municipal property tax levy since 1999. This does not mean that non-residential is not picking up its share of the property tax levy, just that there are fewer non-residential properties contributing to the overall property tax assessment base. The situation was due primarily to a loss of non-residential property assessment that was not within the village's control.

The villages' municipal property tax levy

The municipal property tax levy is the net amount of money required from the property assessment base to support the villages' operations and does not include requisitions for education or the seniors' foundation. Between 1999 and 2003 the municipal property tax levy increased 39 percent from $133,449 to $185,249.

The villages' expenditures

Based on the five-year average from 1999 to 2003, the village spends 92 percent of the municipal property tax levy on the following services:

- administration (29%);
- water and sewer (26%);
- roads, streets, walks and lighting (11%);
- fire protection (9%);
- common services (public works shop) (7%);
- waste management (6%); and
- council (4%).

The remaining 8 percent went to:

- recreation (7%);
- bylaw enforcement (less than 1%); and
- family and community support services (less then 1%).

This means that the village spends on average 92 percent of its revenues to provide what most would consider essential services.

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Council representation	The village council consists of five members elected at large. Each councillor represents all the residents of the village. The village council appoints the mayor at its annual organizational meeting. The first duty of village councillors prescribed in section 135 of the Municipal Government act is: • To consider the welfare and interests of the municipality as a whole and to bring to council's attention anything that would promote the welfare or interests of the municipality. The village council passed a bylaw reducing the number of councillors from five to three, effective for the October 2004 municipal elections.	The county council consists of seven members. The county is divided into seven electoral divisions with each councillor representing the residents of a particular electoral division. The county council appoints the reeve at its annual organizational meeting. The first duty of county councillors prescribed in section 135 of the Municipal Government Act is: • To consider the welfare and interests of the municipality as a whole and to bring to council's attention anything that would promote the welfare or interests of the municipality. Residents of Barons would become residents of division five which has a current population of 1,504. Residents of Barons could run for county council in subsequent municipal elections.
Council meetings	Village council meets on the second Tuesday of the month at the village office. Council meetings are open to the public to listen and observe. If residents have business with council, they normally contact the village administration to be placed on the council agenda.	County council meets on the first and third Thursday of the month at the county office in Lethbridge. Council meetings are open to the public to listen and observe. If residents have business with council, they normally contact the county administration to be placed on the council agenda.
Village employees	The village has two employees who carry out administrative duties and deliver municipal services. The village foreman works full time and is on call for emergencies. The services of the Chief Administrative Officer are contracted from the Village of Carmangay for two days per week plus special meetings of council. The agreement has no expiry date but has a three-month cancellation clause.	The county has approximately 60 employees who carry out administrative duties and deliver municipal services. The county has sufficient staff to look after the village and will not require employees dedicated solely to Barons. The current village employees would receive a severance package similar to provincial government employees, either at the time of dissolution or following a three-month transition period while they help the county to wind up Barons' affairs.

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Village office	The village office is open Wednesdays and Thursdays from 8:30 to 3:30 for residents to make payments or obtain information.	The county would close the Barons municipal office. The main county office in Lethbridge is open from 8:30 to 4:30 Monday to Friday for residents to make payments or obtain information. The county's Picture Butte sub office is also open from 8:30 to 4:30 Monday to Friday where residents can go to make payments or obtain information.
Information	Village residents can get information by contacting the village councillors or from the village office during normal hours of operation.	County residents can get information by contacting their council representative or from either of the county offices during normal hours of operation. The Sunny South newspaper is another method the county uses to get information about county business out to its residents. This paper is provided free to all residents of the county. The county would provide Barons residents with an initial information package containing county information, emergency numbers and contact names immediately following dissolution.
Payment of tax and utility bills	Village residents can pay tax and utility bills: • at the municipal office; • at the Alberta Treasury Branch Agency in Barons; or • by mail.	County residents can pay tax and utility bills: • at the county office in Lethbridge; • at the county sub office in Picture Butte; • at banks (including the Treasury Branch Agency); • by electronic (online banking); or • by mail.
Tax due dates and penalties	Village taxes are due before August 31. A 12 percent penalty is assessed September 1 and an additional 12 percent is assessed January 1 of the following year on any unpaid balance. The village offers a monthly tax installment plan for its residents.	County taxes are due July 31. A 5 percent penalty is assessed on any unpaid balance at July 31, a five percent penalty on any balance remaining unpaid at September 30, a 5 percent penalty on any balance remaining at November 30 and a 15 percent at February 1 of the following year on any unpaid balance. The county does not offer a tax installment plan at this time.

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Village assets and liabilities	Assets include such things as cash and cash equivalents, land, buildings, equipment and furniture. Liabilities include such things as debt, accounts payable and any other outstanding claims against the village.	The assets and liabilities of Barons are transferred to the county at the time of dissolution. The county could then sell any assets not required by the county. However, the Order in Council dissolving Barons would contain a provision that the county must place surplus cash (assets minus liabilities) in a separate reserve. The county would then use those funds to benefit Barons.
Village debt	In 1986, the village borrowed $101,695.69 to install a sewage treatment system. The annual payment of $13,316.05 on this debt comes from a tax on all assessable property in the village. This debt will be repaid in 2008. In 1997, the village borrowed $58,000 to pave Railway Avenue. The annual payment of $7,833.74 comes from a special tax levy on only those properties abutting Railway Avenue. This debt will be repaid in 2007. Any new debt required for a capital improvement such as the water and sewer system or paving would be paid for using any one or a combination of the following revenue sources: • grants; • utility rates; • general tax revenue; • a special tax on properties abutting the local improvement; or • reserves.	Barons' debt is a liability and would be transferred to the county at the time of dissolution. The county would then levy a special tax rate on all assessable properties in Barons to pay the $13,316.05 annual payment on the sewage system debt until 2008. Similarly, those properties paying a special levy for the Railway Avenue paving project will continue to pay the special levy until 2007. Any new debt required for a capital improvement such as the water and sewer system or paving would be paid for using any one or a combination of the following revenue sources: • grants; • utility rates; • general tax revenue; • a special tax on properties abutting the local improvement; or • the special reserve noted above or other reserves.
Police	The RCMP from the Picture Butte detachment provides police services at no cost to the village.	The RCMP from the Picture Butte detachment would continue to provide police services. The county also has an enhanced policing contract with the RCMP. This additional

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Police continued		RCMP member will focus on enforcement of road bans and provincial statutes.
Fire	The Barons and District Volunteer Fire Department provides fire suppression services in the village and in a portion of the county. The village and the county fund the fire department by an agreement between the parties dated January of 1987. The fire department submits an annual budget to the village for approval of both the village and county councils. Once approved by both parties the village then administers the approved fire department budget.	The county does not operate its own fire department and there are no fire stations located in other hamlets in the county. Service is contracted from existing municipal services including Coaldale, Picture Butte and Nobleford. The county charges its residents a $500 per hour fee for responses to county fires. Barons residents would be subject to the same fee for service charge as other county residents. The county has a Fire Services Master Plan. If Barons dissolves the county would enter discussions with the Barons Volunteer Fire Department to discuss how the service may be delivered and funded.
Ambulance	Ambulance services are provided from Lethbridge. The village does not subsidize the ambulance service at this time.	County ambulance calls are handled by services from Coaldale, Picture Butte and Lethbridge. Barons' residents will receive the same level of service as is currently provided.
911 service	The Lethbridge police service emergency centre provides 911 dispatch and pre-arrival service for fire and ambulance calls.	The Lethbridge police service emergency centre provides 911 dispatch and pre-arrival service for fire and ambulance calls.
Disaster services	The village has a disaster services plan in the event of a major incident.	The county disaster services plan would be amended to include Barons.
Road maintenance **Road**	Roads are a mix of gravel and oiled surface. The village maintains its own road system. Priorities for snow clearing are: • the main street; • the highway access; and • back alleys and streets. The village or a contractor performs the summer maintenance of the road system. New paving projects would be funded by one or more of the following revenue sources:	The county's priority for snow clearing are: • school bus routes; • paved and oiled surface roads; and • local roads and hamlet streets. • The county stores its equipment in Barons. In the event of a major snowfall the county would clear the access to the highway. The county uses its own equipment and contractors as required to maintain county roadways.

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
maintenance continued	• grants; • a local improvement tax; or • a special tax on all village properties.	New paving projects would be funded by one or more of the following revenue sources: • grants; • local improvement tax; • a special tax on all village properties; or • the special reserve noted on page 5 or other reserves.
CP rail crossing	The village is responsible to pay for the maintenance of the CP railway crossing on the village access road. The work is done by CP and billed back to the village.	The county would be responsible to pay for the maintenance of the CP railway crossing on the Barons access road.
Sidewalk maintenance	The village removes snow from the sidewalks as needed. Summer sidewalk maintenance is carried out by the village where required. New sidewalk projects would be funded by one or more of the following revenue sources: • grants; • a local improvement tax; or • a special tax on all village properties.	The county does not do sidewalk snow removal in other hamlets. Barons residents would become responsible for snow removal from the sidewalks in front of their property. The county would use the Hamlet Street Assistance grant program to fund repair and replacement of sidewalks in Barons.
Village bylaws	There are a number of bylaws that regulate and govern village matters. Some examples are: • the utility rate bylaw; • the tax rate bylaw; • the animal control bylaw; and • the unsightly property bylaw.	Barons' bylaws become county bylaws at the time of dissolution and remain in force until amended or repealed by the county council.
Bylaw enforcement	The village uses a contractor to enforce its animal control bylaw. The current contract has no expiry date but can be terminated with two weeks notice. Kennel facilities for impounded or stray animals are contracted from the	The county would use the Agricultural Services Department to enforce the Weed Control Act and use a contract animal control officer in Barons. The county on an as needed basis would deal with other enforcement issues such as unsightly properties.

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Bylaw enforcement continued	Town of Coalhurst. The agreement is ongoing with a thirty-day termination clause. Other enforcement action like unsightly properties or weed control is handled by the village administration. The village council is considering a joint bylaw enforcement program with other communities.	
Water	Water for the village is taken from the Old Man River system diversion. The village employs a licensed operator to operate the water treatment plant in compliance with the licensing requirements. However, the inline filtration treatment plant is more than twenty years old and the current licensing for the water system expires August 1, 2006. There may be a need to increase the capacity and upgrade the system to meet current standards. There are no recent engineering studies to determine the state of the water treatment plant or the underground distribution system. Village residents would pay the cost of upgrading the water supply and distribution system, if this is required by, using one or a combination of the following sources of funding: • grants; • utility rates; • property tax; or • reserves.	The county would use a licensed operator from the current county staff to operate the Barons' water supply and distribution system. In order to determine the condition of the infrastructure the county would carry out a thorough evaluation of the water treatment plant and the distribution system. Barons' residents would pay the cost of upgrading the water supply and distribution system, if this is required, by using one or a combination of the following sources of funding: • grants; • utility rates; property tax; or • reserves. • The county's long-term policy is to purchase and distribute treated water to hamlet and other rural county residents using distribution pipelines. Done in this manner the county eliminates the need for major capital investment in water treatment plants and the ongoing liability, operation and maintenance costs in favor of a more cost effective means of making potable water available to county residents.
Sewer	The lagoon system in Barons is a registered facility with no approval expiry date. Any lagoon system must meet the Code of Practice for Wastewater Systems Using a	The county would carry out a thorough evaluation of the sewage collection and treatment system to determine the condition of the infrastructure. Barons residents would pay the cost of upgrading the sewage collection and

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Sewer continued	Wastewater Lagoon. No recent inspection has been done by Alberta Environment to determine if the system meets the Code of Practice requirements. There are no recent engineering studies to determine the current condition of the underground collection system. Village residents would pay the cost of upgrading the sewage collection and treatment system, if this is required, by using one or a combination of the following sources of funding: • grants; • utility rates; • property tax; or • reserves.	treatment system, if this is required, by using one or a combination of the following sources of funding: • grants; • utility rates; • property tax; or • the special reserve noted on page five or other reserves.
Waste management	The village contracts garbage collection service from the Town of Coalhurst. Garbage is picked up and delivered to the regional landfill site weekly. The contract expires December 31, 2004. In addition to the contract cost for pick up and delivery, the village pays a tipping fee at the regional landfill. The village also operates a recycling program using a number of small collection bins, which are hauled to the recycling centre by the village foreman. The service generates a small amount of money depending on the going price for material. The revenue generated does not typically cover the cost of providing the service.	The county would use a contract operator to pick up garbage and provide the service on a cost recovery basis. There would be no additional tipping fees charged at the regional site, as the county is a member of the Lethbridge Regional Waste Management Authority. The county would continue with some type of recycling program in Barons. The county's annual per capita payment to the Lethbridge Regional Waste Management Commission would increase to cover the residents of Barons.
Utility rates	The village's policy is to have the utility rates pay for the cost of providing the service, including establishing some reserves for emergency repairs. Council is currently reviewing utility rates to reflect that policy.	The county's policy for hamlets is to have the utility rates for water, sewer and garbage pay for the cost of providing the service, including establishing some reserves for emergency repairs. The immediate impact on village residents would be the installation of water meters for each

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Utility rates continued	The five-year average annual operating costs of the water and sewer system were $73,791 while the average operating revenues were $62,877. The average annual shortfall of approximately $10,914 came from the general tax levy or the village's cash reserves. Most of the increase in operating costs for the water and sewer system occurred since 2001 and was due in part to major repairs to the system. The village has utilized its cash reserves to pick up portions of these recent non-routine maintenance costs. The five-year average annual operating costs of waste management were $17,742 while the operating revenues were $15,903. The average annual shortfall of $1,839 came from the general tax levy. If the operating costs of the utilities remain at current levels or continue to rise, rates will have to increase or the general tax levy will continue to pick up the shortfall. How much individual categories of utility rates would have to increase can best be determined by a thorough rate review based on the village's policy of user pay for utilities. Estimates using the village's current utility rates are included in the appendix.	water service and the implementation of the county rate system for water and sewer and garbage collection in other hamlets. County rates for water are: • residential / commercial service (service connection 1 inch or less): $19.75 per month flat fee plus $0.675 per cubic meter for water used. The county advises that the average water charge in the county is $50.00 per month year round. County rates for sewer are: • $6.18 per month for residential and $12.36 per month for commercial or non-residential. • The county rate for residential garbage collection is $7.85 per month. The county does not offer non-residential garbage collection. Non-residential property owners would be responsible to deliver their waste to a transfer station or the regional site. How much individual categories of utility rates would have to increase can best be determined by a thorough rate review based on the county's policy of user pay for utilities. • Estimates using the county's current utility rates are included in the estimates in the appendix.
Family and Community Support Services	The village is a contributing member of the Barons/Eureka/Warner Family and Community Support Services program. The village pays an annual per capita rate to access the program.	The county is also a contributing member of the Barons/Eureka/Warner FCSS program. The county would be assessed additional charges to cover the population of Barons.

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Campground and ball diamonds	The village maintains the campground and provides some in kind assistance to help maintain the ball diamonds. There is no consistent fee collection system for the use of the village campground.	The county does not fund, operate or maintain campgrounds or ball diamonds elsewhere in the county. The county would look for a community group to take over the operation and maintenance of the campground and ball diamonds.
Community hall	The village owns the land and building, and the Barons and District Agricultural Society operate the facility. The village does not contribute financially to the operating costs of the facility.	Recreation is not one of the county's core services. The county does not contribute financially to recreation. The county would not contribute financially to the operation of the community hall but would enter into an agreement with the Barons and District Agricultural Society for its continuing operation.
Curling arena	The village owns the land and building and the Barons Curling Club, which is a committee of the Barons and District Agricultural Society, operates the facility. The village does not contribute financially to the operating costs of the facility.	Recreation is not one of the county's core services. The county does not contribute financially to recreation. The county would not contribute financially to the operation of the curling arena but would enter into an agreement with the Barons and District Agricultural Society or the curling club for its continuing operation.
Barons cemetery	The cemetery site is maintained by volunteers and does not accept burials. The cemetery's records are incomplete but the village is the custodian of some records.	The county will be the custodian of the existing cemetery records. The county would mow the grass once a year.
Video Lottery Terminals	There is one vendor in the village.	If Barons dissolves it becomes part of the County of Lethbridge. VLT machines were removed from the county because of a countywide plebiscite on the issue. According to the Alberta Gaming and Liquor Commission, it would remove the existing video lottery terminals from Barons if dissolution occurs.
Green Acres Lodge	The lodge is located in Barons and operated by the Green Acres	Barons residents will pay the same special levy as other county residents for the Foundation

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Green Acres Lodge continued	Foundation. The village levies a separate mill rate for its share of the annual requisition to the Foundation.	requisition. The operation of the Green Acres Lodge would not be affected by dissolution.
Additional named insured	The village lists the following groups as additional named insured on the village's policy: • Barons and District Agricultural Society; • Barons Sports Day Committee; and • Barons Curling Club. The village pays the cost of insurance for the community groups.	The county could include community groups as additional named insured on the county policy but the community groups would have to pay the cost of the coverage.
Boards and committees	The village councillors sit on various boards and committees representing the village interests including: • Barons/Eureka/Warner Family and Community Support Board; • SouthGrow; • Green Acres Foundation; • Business Development Centre; and Oldman River Regional Services Commission.	The county councillors sit on various boards and committees representing the county residents interests. Barons' would lose separate representation on boards and committees where the appointments require elected officials. The county councillors would represent Barons' interests along with the rest of the county residents interests on boards or committees.
Grants	The village is eligible for various grants under programs such as: • the Streets Improvement Program; • the Alberta Municipal Water/Wastewater Partnership Program; • the Summer Temporary Employment Program;	The county is eligible for various grants under programs such as: • the Street Improvement Program; • the Alberta Municipal Water/Wastewater Partnership Program; • the Summer Temporary Employment Program; • the Municipal Sponsorship Program; and

Services and community issues	Current situation in the village	What residents can expect if the village joins the county
Grants continued	• the Municipal Sponsorship Program; and • the Regional Partnerships Initiative. The village council applies for grants based on village priorities.	• the Regional Partnerships Initiative. The county council applies for grants based on county priorities. The difference is that after dissolution grants for Barons have to be considered along with the needs of the rest of the county. Barons' priorities may not always be county priorities.

Appendix 1

2003 residential tax rate comparison

Residential tax rate	Village 2003	County 2003
General municipal	25.80	6.4239
Education	5.10	4.8454
Seniors foundation	0.20	0.1458
Waste commission	0.00	0.2666
2003 tax rate	31.10	11.6817
Add:		
Special debt levy (for Barons)	0.00	1.8300
2003 comparative tax rate	31.10	13.5117

Note: County rates would include a special debt levy of 1.83 mills to cover the village debt payment on the sewer system until 2008.

Conclusion: The 2003 county residential tax rate was 62 percent lower than the village without the special debt levy and would have been 57 percent lower with the special debt levy included.

2003 non-residential tax rate comparison

Non-residential tax rate	Village 2003	County 2003
General municipal	25.80	6.9851
Education	6.30	6.6233
Seniors foundation	0.20	0.1458
Waste commission	0.00	0.2666
2003 tax rate	32.30	14.0208
Add:		
Special debt levy (for Barons)	0.00	1.8300
2003 comparative tax rate	32.30	15.8508

Note: County rates would include a special debt levy of 1.83 mills to cover the village debt payment on the sewer system until 2008.

Conclusion: The 2003 county non-residential tax rate was 57 percent lower than the village without the special debt levy and would have been 51 percent lower with the special debt levy included.

Appendix 2

2003 estimated residential municipal cost comparison

The tables consider three actual residential properties in Barons. By applying the 2003 village and county tax, utility and debt payment rates of these properties, residents can compare the expected total municipal cost if Barons remains a village with the expected total municipal cost if Barons joins the county. Estimates are rounded to the nearest dollar value.

2003 estimated municipal costs if Barons remains a village

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Utilities	Total municipal cost
Residential 1	$72,270	31.10	$2,248	$0	$576	$2,824
Residential 2	$53,190	31.10	$1,654	$0	$576	$2,230
Residential 3	$26,080	31.10	$811	$0	$576	$1,387

Note: Utility costs are estimated using the current village and county rates. Individual costs will vary.

2003 estimated municipal costs if Barons joins the county

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Utilities	Total municipal cost
Residential 1	$72,270	11.6817	$844	$132	$768	$1,744
Residential 2	$53,190	11.6817	$621	$97	$768	$1,486
Residential 3	$26,080	11.6817	$305	$48	$768	$1,121

Note: Utility costs are estimated using the current village and county rates. Individual costs will vary.

2003 estimated residential municipal cost comparison summary

Sample properties	Municipal cost if Barons remains a village	Municipal cost if Barons joins the county	Difference $	Percentage %
Residential 1	$2,824	$1,744	-$1,079	-38
Residential 2	$2,230	$1,486	-$744	-33
Residential 3	$1,387	$1,121	-$266	-19

Conclusion: Using county rates the sample properties would pay between 19 and 38 percent lower total municipal cost than using village rates. Municipal cost includes property taxes, debt servicing and utilities.

Appendix 3

2003 estimated non-residential tax comparison

The tables consider three actual non-residential properties in Barons. By applying the 2003 village and county tax, utility and debt payment rates of these properties, residents can compare the expected total municipal cost if Barons remains a village with the expected total municipal cost if Barons joins the county. Estimates are rounded to the nearest dollar value.

2003 estimated non-residential tax if Barons remains a village

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Utilities	Total municipal cost
Non-residential 1	$600,380	32.30	$19,392	$0	$716	$20,108
Non-residential 2	$223,900	32.30	$7,232	$0	$716	$7,948
Non-residential 3	$87,630	32.30	$2,830	$0	$716	$3,546

Note: Utility costs are estimated using the current village and county rates. Individual costs will vary.

2003 estimated non-residential tax if Barons joins the county

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Utilities	Total municipal cost
Non-residential 1	$600,380	14.0208	$8,418	$1,099	$588	$10,105
Non-residential 2	$223,900	14.0208	$3,139	$410	$588	$4,137
Non-residential 3	$87,630	14.0208	$1,229	$160	$588	$1,977

Note: Utility costs are estimated using the current village and county rates. Individual costs will vary.

Note: Utility costs for the county do not include an amount for non-residential waste pickup. It would be up to the property owners to dispose of non-residential garbage.

2003 estimated non-residential municipal cost comparison summary

Sample properties	Municipal cost if Barons remains a village	Municipal cost if Barons joins the county	Difference $	Percentage %
Non-residential 1	$20,108	$10,105	-$10,003	-50
Non-residential 2	$7,948	$4,137	-$3,811	-48
Non-residential 3	$3,546	$1,977	-$1,569	-44

Conclusion: Using county rates, the sample properties would pay between 44 and 50 percent lower total municipal cost than using village rates. Municipal cost includes property taxes, debt servicing and utilities.

What is the next step?

Alberta Municipal Affairs will conduct a public meeting to present the dissolution study and respond to residents' questions about the study and dissolution.

Alberta Municipal Affairs will conduct a vote (including an advanced vote) in accordance with the Local Authorities Election Act on the question of dissolution.

The question on the ballot is:

"Do you wish the Village of Barons to dissolve and become part of the County of Lethbridge?"

Who can vote?

To be eligible to vote you must be:

- at least 18 years of age;
- a Canadian citizen;
- a resident of Alberta for the 6 months immediately preceding the vote; and
- a resident of the Village of Barons on the day of the vote.

What does it mean to be a resident of the Village of Barons on the day of the vote?

The Local Authorities Election Act states the rules of residence in section 48(1) as:

For the purposes of this Act, the place of residence is governed by the following rules:

(a) a person may have only one place of residence for the purposes of this Act;

(b) the residence of a person is the place where the person lives sleeps and to which, when the person is absent, the person intends to return;

(c) a person does not lose the person's residence by leaving the person's home for a temporary purpose;

(d) subject to clause (e), a student who

i. attends an educational institution within or outside Alberta,

ii. temporarily rents accommodation for the purpose of attending and educational institution, and

iii. has family members who are resident in Alberta and with whom the student ordinarily resides when not attending an educational institution

is deemed to reside with those family members;

(e) if a person leaves the area with the intention of making the person's residence elsewhere, the person loses the person's residence within the area.

What happens after the vote?

The results of the vote and the information in the study are provided to the Minister to help the Minister determine whether to recommend to the provincial Cabinet that the Village of Barons should dissolve and join the County of Lethbridge.

What happens if the Minister recommends dissolution?

If the Minister recommends dissolution to the provincial Cabinet and it agrees, an Order-in-Council is passed dissolving the village into the county. The village council and administration would then work with the county to wind up the village's affairs.

What will happen if the Minister determines that the village should not dissolve?

The village will continue to provide services to residents and the county will continue to work with the village as before.

Whom can I contact if I need more information?

Terry Broome or Mark Cooper at Alberta Municipal Affairs toll-free by dialing 310-0000 and asking for 427-2225.